

ECONOMIC DEVELOPMENT

October 24, 2008

2008 OCT 30 P 2: 44

FILED/ACCEPTED

DEC - 1 2008

Federal Communications Commission Office of the Secretary

Chairman Kevin Martin
Federal Communications Commission
445 12<sup>th</sup> Street, SW
Washington, DC 20554

Dear Chairman Martin:

It has come to my attention that the Federal Communications Commission is considering a proposed order on intercarrier compensation and universal service that could dramatically alter the cost and availability of rural telecommunications and broadband in my state, and that the FCC vote is scheduled for November 4 – Election Day 2008.

Among other things, the proposal apparently includes consumer phone rate increases ranging from several dollars to almost \$10 a month, just to save urban-focused telecom providers nearly \$4 billion annually in access charges. This is somewhat alarming given the challenges that many of my constituents already face from a national credit crisis, increasing food and fuel prices and rising unemployment rates.

At the same time, the proposal would undercut broadband investment by eliminating billions of dollars in funding that rural providers use today to build and maintain broadband infrastructure in rural America. In addition to putting the goal of universal broadband availability further away for many communities, such an approach could lead to additional unemployment and market instability in the telecommunications industry.

Given the gravity of these issues, I am disappointed that the actual order has not been made available for public comment, and that the FCC vote is scheduled on Election Day when members of Congress and their constituents are rightly focused on their civic duties.

While I am aware that the Commission is under a court order to address one narrow issue—the intercarrier rate for calls to dial-up Internet service providers—I want to urge you in the strongest possible terms not to proceed with the other issues in the proposed order before putting it out for public comment. In this way, we can all learn about both the merits and drawbacks of the proposal before it is too late.

Sincerely,

Jim Reichardt

Executive Director